

IN THE  
INDIANA TAX COURT

NO.49T10-9309-TA-70

TOWN OF ST. JOHN, <i>et al.</i> ,	)
	)
Petitioners,	)
	)
v.	)
	)
DEPARTMENT OF LOCAL GOVERNMENT	)
FINANCE as successor to the	)
STATE BOARD OF TAX	)
COMMISSIONERS,	)
	)
Respondents.	)

**MONTHLY REPORT 22**

As successor to the State Board of Tax Commissioners, this is the twenty-second Monthly report of the Department of Local Government Finance (“DLGF”) under the Court’s order dated May 31,2000,729 N.E.2d242, 247. The report explains the DLGF’s activities during March 2002 to implement the Court’s order. An outline of those activities is included as Exhibit A.

*Lake County Reassessment*

During March various employees of the DLGF had frequent contacts with Officials in Lake County, but have been unable to persuade the county to make any payments toward the independent reassessment contact. On March 27, Governor

O'Bannon signed HEA 1088, a bill that permits the State Treasurer to divert money that would otherwise be paid from state accounts to Lake County, sending the diverted funds to the independent reassessing contractor. Identical provisions appear in HEA 1196, a bill the Governor signed on March 28, 2002.

Some Lake County officials have promised to initiate litigation if this interception of funds to the county occurs.

One of the primary purposes of the DLGF's motion to join Lake County officials in this case is to provide a single forum for the adjudication of claims by county officials against the DLGF relating to the independent reassessment. The DLGF is concerned that, should Lake County's claims be pursued in a separate forum, the DLGF would be unable to assure this Court that its deadline for completing reassessment will be met. Moreover, if Lake County pursues its claims in a separate forum there arises the possibility of inconsistent orders binding the DLGF.

Nonetheless, work is proceeding on the reassessment of Lake County, despite lack of payment. Arthur Anderson and its subcontractor, Cole Layer Trumble, will begin field work and collection of data the first week of April.

#### *Computer Software*

The contract with Manatron for computer hardware and software for the Lake County reassessment has been finalized and hardware is being ordered.

On March 18, the DLGF preliminarily certified Manatron and Pro Val's computer software for use in Indiana. Pro Val is currently in use in 59 counties and Manatron is currently in use in 11 counties. Final certification will occur when each county certifies that the software is up and running in its county.

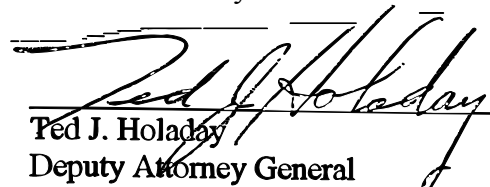
*Proposed Equalization Rule*

On March 25, the DLGF held a public hearing on its equalization rule.

Comments were generally favorable. The DLGF is seeking public comments through April 8, 2002. It anticipates the DLGF Rules Panel will act on the rule later in April 2002.

Respectfully submitted,

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